A BILL FOR AN ACT

RELATING TO ETHANOL.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

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1	SECTION 1. The legislature finds that in some states the		
2	mandated use of renewable fuels has created some economic		
3	benefit because those states are able to produce or cheaply		
4	import renewable fuels. However, despite dozens of biomass,		
5	biodiesel, and ethanol facilities that have been proposed for		
6	Hawaii, no ethanol plants currently exist in the State. Since		
7	2006, Hawaii has required that gasoline sold in the State		
8	include ten per cent ethanol. This requirement of blending		
9	ethanol into Hawaii's gasoline does not produce any economic		
10	benefit for the State; further, the import of ethanol creates ar		
11	economic burden for state residents.		
12	The purpose of this Act is to repeal the requirement that		
13	gasoline for motor vehicles sold in the State include ten per		
14	cent ethanol.		
15	SECTION 2. Section 486J-10, Hawaii Revised Statutes, is		

17 ["\$486J-10 Ethanol content requirement. (a) The director

shall adopt rules in accordance with chapter 91 to require that



16

18

repealed.

gasoline sold in the State for use in motor vehicles contain ten 1 per cent ethanol by volume. The amounts of gasoline sold in the 2 State containing ten per cent ethanol shall be in accordance 3 4 with rules as the director may deem appropriate. The director 5 may authorize the sale of gasoline that does not meet these requirements as provided in subsection (d). 6 7 (b) Gasoline blended with an ethanol based product, such 8 as ethyl tertiary butyl ether, shall be considered to be in conformance with this section if the quantity of ethanol used in 9 **10** the manufacture of the ethanol based product represents ten per 11 cent, by volume, of the finished motor fuel. 12 (c) Ethanol used in the manufacture of ethanol based 13 gasoline additives, such as ethyl tertiary butyl ether, may be 14 considered to contribute to the distributor's conformance with 15 this section; provided that the total quantity of ethanol used 16 by the distributor is an amount equal to or greater than the 17 amount of ethanol required under this section. 18 (d) The director may authorize the sale of gasoline that 19 does not meet the provisions of this section:

1	(1)	To the extent that sufficient quantities of
2		competitively priced ethanol are not available to meet
3		the minimum requirements of this section; or
4	(2)	In the event of any other circumstances for which the
5		director determines compliance with this section would
6		cause undue hardship.
7	(e)	Each distributor, at reporting dates as the director
8	may estab	lish, shall file with the director, on forms
9	prescribe	d, prepared, and furnished by the director, a certified
10	statement	-showing:
11	(1)	The price and amount of ethanol available;
12	(2)	The amount of ethanol blended fuel sold by the
13	•	distributor;
14	(3)	The amount of non-ethanol-blended gasoline sold by the
15		distributor; and
16	(4)	Any other information the director shall require for
17		the purposes of compliance with this section.
18	(f)	Provisions with respect to confidentiality of
19	informati	on shall be the same as provided in section 486J 6.
20	(g)	-Any distributor or any other person violating the
21	roguiromo	nts of this costion shall be subject to a fine of not

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- 1 less than \$2 per gallon of nonconforming fuel, up to a maximum
- 2 of \$10,000 per infraction.
- 3 (h) The director, in accordance with chapter 91, shall
- 4 adopt rules for the administration and enforcement of this
- 5 section."]
- 6 SECTION 3. Statutory material to be repealed is bracketed
- 7 and stricken.
- 8 SECTION 4. This Act shall take effect on July 1, 2015.

S.B. NO. 517 S.D. 1

Report Title:

Ethanol; Motor Vehicles; Energy Efficiency

Description:

Repeals existing requirement that gasoline for motor vehicles be composed of ten per cent ethanol. (SD1)

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